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mit Sicherheit eine gute Verbindung

Via Messenger

Chairman William E. Kennard Federal Communications Commission 445 12th Street S.W. Washington DC, 20054 USA PRIDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

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05. Januar 2001

In the Matter VoiceStream Wireless Corporation and Deutsche Telekom AG IB Docket No. 00-187

Dear Chairman Kennard:

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On behalf of NetCologne GmbH, we are writing to express our concerns about the above-mentioned merger between VoiceStream Wireless Corporation ("VoiceStream") and Deutsche Telekom AG ("DTAG"). NetCologne is a leading German competitive provider of internet services, local telephony and value added services in the Cologne area, western Germany, and our company is a member of the German Competitive Carriers Association ("VATM").

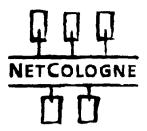
We do not believe that the Commission should deny the application to transfer control of VoiceStream and the petition for declaratory ruling. Rather, we urge the Commission to utilize its discretion to either strengthen conditions or enforce voluntary commitments necessary to adequately protect consumers and promote and preserve competition. To this end, we strongly support the testimony by the VATM before the Sub-Committee on Telecommunications,

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Trade and Consumer Protection of the House Commerce Committee filed on September 7, 2000, in particular, its description of the situation in the German telecommunications market and the discussion of possible conditions to be imposed on DTAG. By imposing and enforcing these conditions, the Commission will address serious competition issues that, if left unchecked, will have an adverse effect on competition in both the German and U.S. telecommunications markets.

Although we have not participated previously in this proceeding, we have been monitoring its progress because of its impact on the markets in which we compete. There have been some alarming events recently that relate to this merger. Therefore, we feel an urgent need to bring them to your attention.

As you may know, Germany is a key market in Europe for telecommunications companies. Therefore, any actions with a disadvantageous influence on the telecommunications sector will have serious negative impacts on other European countries and ultimately on the U.S. market. Unfortunately, there has been a recent drive to roll-back liberalization In Germany. There is new evidence that such political pressure to protect DTAG is mounting on the German regulator RegTP and on DTAG's competitors. This pressure has reached a new stage since the release of the Position Paper of the Federal Ministry of Economics last summer. We understand that you are already aware of a new Position Paper of Klaus Barthel (Member of the German Federal Parliament – SPD – and Chairman on its Telecommunications Sub-Committee), released on December 4, 2000. We are concerned that on the basis of this Position Paper the German Federal Government will prematurely release DTAG from its dominant carrier obligations without sufficient standards to prevent anti-competitive practices and cross-subsidization. The Position Paper is also clearly contrary to the EU's efforts to liberalize the telecommunications market ("1999 Review"). It disregards the fact that without competition the incumbent has no incentive to cut its prices and offer innovative services. If followed, the Position Paper might ultimately enable the German Federal Government to implement a regulatory policy in Germany whose ultimate goal is to protect DTAG. Because of political realities, the new President of RegTP will probably have no choice, but to adopt this Paper as RegTP's future binding policy guidelines.

Therefore, it becomes even more urgent for the Commission to come forward to protect competition by placing conditions on this merger. The Commission must ensure that DTAG, a government-owned and controlled carrier, will be unable to leverage the advantages it gains through the merger and German Government protection to the detriment of competition, and ultimately, to U.S. consumers.

Sincerely,

Patrick Helmes

Director Legal & Regulatory Affairs

NetCologne GmbH

CC: Commissioner Ness

Commissioner Furchtgott-Roth

Commissioner Tristani

Commissioner Powell

Don Abelson/IB